

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED ADJUSTMENT OF THE WHOLESALE)	
WATER SERVICE RATES OF THE MOUNT STERLING)	CASE NO. 95-193
WATER AND SEWER COMMISSION)	

O R D E R

The Mount Sterling Water and Sewer Commission ("Mount Sterling") has moved for immediate Commission approval of its proposed wholesale water service rates without further proceedings. In support of its motion, Mount Sterling refers to the written withdrawal of objections filed with the Commission by all public utilities which purchase water from Mount Sterling.

Having considered the motion and being otherwise sufficiently advised, the Commission finds that the motion should be granted. The purpose of the Commission's jurisdiction over a municipal utility's wholesale transactions with a public utility is to ensure that any public utility "consumer/customer that has contracted and become dependent for its supply of water from a city utility is not subject to either excessive rates or inadequate service." Simpson County Water District v. City of Franklin, Ky., 872 S.W.2d 460, 465 (1994).

In the case at bar, this purpose has been served. The affected public utilities made clear their objections to the proposed rate adjustment. Addressing the concerns of each public utility, Mount Sterling convinced each of the reasonableness of the

proposed rate adjustment. The public utilities have withdrawn their objections to the proposed adjustment.


As the proposed rates on their face appear neither unreasonable nor unconscionable, the Commission sees no need to conduct further proceedings in this matter.

IT IS THEREFORE ORDERED that:

1. Mount Sterling's motion is granted.
2. The rates set forth in the Appendix to this Order are approved for wholesale water service rendered by Mount Sterling to public utilities on and after September 1, 1995.

Done at Frankfort, Kentucky, this 1st day of September, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-193 DATED SEPTEMBER 1, 1995

The following rates and charges are prescribed for water service to customers of Mount Sterling Water and Sewer Commission. All other rates and charges not specifically set forth herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

<u>Customer Class</u>		<u>Proposed Rates</u>
First	100 CF	\$5.40 minimum
Next	600 CF	\$2.55 per 100 CF
Next	1,300 CF	\$2.45 per 100 CF
Next	1,300 CF	\$2.35 per 100 CF
Next	3,400 CF	\$2.05 per 100 CF
Next	6,600 CF	\$1.70 per 100 CF
Next	13,300 CF	\$1.40 per 100 CF
Over	26,600 CF	\$1.35 per 100 CF